

GEOKINETICS INC. *shale oil development and production*

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Salt Lake City, Utah 84108-1282

Telephone (801) 583-0511

July 11, 1983

Mr. Tom Tetting
Division of Oil, Gas & Mining
4241 State Office Building
Salt Lake City, UT 84114

RE: Geokinetics
ACT/047/002

Dear Tom:

RECEIVED
JUL 12 1983
DIVISION OF
OIL GAS & MINING

As Pam Grubaugh-Litting, you and I discussed in your office on July 8, 1983, the presently disturbed area at Kamp Kerogen will be incorporated in the Seep Ridge Project. The ponds, sanitary landfill, shop, office, trailer, scrap-yard, and storage tank area will also be used during the commercial phase of the project. Some of the retorts which have been burned could permanently be reclaimed within the next few years. To simplify matters, we are proposing that an interim bond is posted which will cover all existing disturbances.

The disturbed area delineated on the map submitted to your office on July 8, 1983, included all off-roads except the main access to the Kamp, and also had a buffer zone of sixty feet of undisturbed area around the disturbed area. The main access road is a preexisting road which was widened to accommodate the Kamp traffic. By incorporating this disturbance in the total estimate, the new estimate is about seventy (70) acres. The road along the pipeline is also an existing road and not part of our operation. Therefore, the interim bond amount will be increased to \$140,000 which will adequately cover the existing disturbance. A better map delineating roads and defining in more detail the areas disturbed will be forwarded to your office within ten days.

Your expeditious approval of clearing, drilling, and blasting Retorts #1, #2 and #3 will be appreciated.

We are presently evaluating proposals for the selection of consultants to carry out the baseline studies necessary for the permits for the Seep Ridge Project. Among the matters to be addressed will be a mining permit from the Division of Oil, Gas & Mining, a PSD permit from the State Bureau of Air Quality, a no discharge NPDES permit from EPA, and a disposal of the wastes permit from the State Bureau of Solid and Hazardous Wastes. As I mentioned to you in earlier conversations, if any of the wastes are considered hazardous, we intend to dispose of them at EPA approved hazardous waste landfills. There are two such landfills available, one in Tooele, Utah, and one in Idaho. The permitting process that operators of such landfills have to go through is a vigorous one,

and they are constantly being monitored by EPA. They can only accept wastes which they have been licensed for. If an operator is a generator of hazardous wastes, he has to notify EPA and receive a generator identification number which he has to put on all the containers of hazardous wastes shipped to an approved hazardous waste landfill. If the operator decides to store and/or dispose of the hazardous waste on site, then he has to receive either a storage and/or a disposal permit from EPA. This is a very involved process and therefore, I believe, most operators would choose to dispose of these types of waste off-site, if economically feasible. Disposal of wastes will be addressed in the mining permit in more detail. The above is a brief synopsis for your information.

Again, thank you for your patience and cooperation. I hope you as well as the rest of the DOG&M staff understand the limited resources we have available to work with being such a small company.

Sincerely,

Catherine

Catherine V. Chachas
Environmental Affairs

CVC:mw

cc: W.K. McOmber
J.M. Lekas